

**Testimony for Delta Vision Committee for December 5, 2008**  
**Jim Levine, Water Policy Chair, Bay Area Council**

Thank you Mr. Secretary for the opportunity to speak with you today about the future of the Delta and as a consequence of actions taken there, the future of water and, in turn, the environmental and economic health of the state of California. Nothing less is at stake here.

While I am here representing the Bay Area Council, an organization that represents 275 of the Bay Area's largest employers, these remarks today represent the joint position of the Bay Area Council and the Contra Costa Council. My statements today have been informed by the past two years participating in the Delta Vision Stakeholder Group and Task Force governance and finance work group that you and Gov Schwarzenegger established. Many good beginnings have come out of the Task Force and I must congratulate you on setting this ground-breaking process in motion.

Today, I will speak to the major recommendations presented by the Task Force, and then those implementation priorities that have been ably distilled by your staff, led by Joe Grindstaff, John Kirlin and Leo Winternitz.

The Business community I represent totally supports the co-equal goals of environmental health and water supply security in management of issues in the Delta and beyond. We support this not only because it is the right thing to do, but also because environmental health is good for California business and the reliability of California water supplies. You need look no further than the court-ordered reductions in exports from the Delta to see what happens to water reliability when we don't adequately pay attention to the needs of fisheries and the environment.

The second message I want to convey is that with California facing a coincidence of economic, environmental and water security crises (of course, among education, healthcare and other problems), we can't afford to get it wrong this time. We must approach problem-solving on water issues in a new way, not only to come up with a better solution, but also to get something done nearly immediately. In our view, this can only happen with new governance and completing the remaining technical analyses with a new process of openness and trust with the myriad constituencies that speak out on water. The establishment of the BRTF was the hopeful start of a new era in CA water decision-making, but unfortunately the various technical studies on which to base the big decisions have not yet been completed. So while the BRTF has established itself as a well-respected objective group of business-minded decisionmakers, its term has expired and the BRTF is not able to make the real decisions that need to be made.

Despite the capable efforts of this administration, with the obvious crashing of the important California fisheries, there is an understandable lack of trust in the federal and state institutions that have been in charge for the last decade. As such, while we support staff's recommendations on establishment of a Cabinet-level committee (Delta Policy Group) to develop a Memorandum of Agreement with surrounding counties and Councils

of Governments to address strategic levee investments, infrastructure and accommodation for sea level rise and other climate changes, we believe a different governing body will need to be established to oversee the upcoming big decisions on water and environmental recovery. We therefore support the governance recommendations of the BRTF that call for an enhanced Delta Protection Commission to work with, and set state guidelines for local agencies on land use issues, a Delta Conservancy to implement ecosystem restoration, and an independent objective panel (BRTF calls it the Delta Ecosystem and Water Council, the Governor proposed a reinvigorated CA Water Commission with some similar authorities) to take charge of California water policy, develop and act as the final arbitrator when water supply and environmental needs conflict, and perhaps more optimally, develop an integrated water/environment strategy for California so these conflicts are avoided.

We recommend that the Administration engage with the Legislature in January to stand up a reinvigorated independent CA Water Commission (or Delta Ecosystem and Water Council) that can make the decisions and do so with the trust of the people of California. In this regard, we disagree with the position taken by the majority of the water exporters, who want any new institutions to be advisory only. We understand they are nervous about change, but we believe the system is broken, and only a new governance structure with teeth can fix it. At the same time, we don't believe we can wait two years to make the big decisions while such a body develops a new master plan. We think the Resources Agency has enough capability and work-in-progress through DWR, Fish and Game and other agencies to present the reasonable choices within the next year. We will be submitting a more detailed recommendation on governance to you within the next two weeks.

We support most of the other recommendations in the BRTF Strategic Plan and in Joe Grindstaff's recommended action plan including:

- Completing emergency operations plans for earthquake response
- Completing a Delta Levee Investment Strategy to determine which levees to invest in. While we understand local needs and desires to have all levees fixed at all costs if they fail, the State will need to prioritize those investments and some levees may not ultimately be fixed
- BDCP and EIR/EIS studies to determine conveyance and mitigation strategies may be workable, but the technical analyses must be vetted by a range of stakeholders so that we can end up debating the decision, not the basic data underlying it. We have also recommended for a long time that solutions for the Delta must look well beyond the Delta – reservoir reoperation, conservation in every sector and region of CA, actions outside of the Delta to help fisheries, water marketing, and coupling storage with conveyance analyses to make the analyses realistic and to find the additional water that may be necessary to “make a deal” that works for water supplies and the environment.
- Support the recommendation and need for DFG, SWRCB and the fisheries communities to immediately develop streamflow and other recommendations for the tributaries to the Delta watershed

- Support Governor's call for 20% water use reduction, but this problem cannot be solved solely on the backs of urban users, which account for a small fraction of state water use. We therefore wholeheartedly support recommendations to require measurement and reporting of all water used in CA, and application of conservation requirements to agriculture. We understand that a one-size fits all approach will not work, but we need to challenge every sector of California to do their part. We may have to face tough choices between the health of CA and old water rights, but before we get there, let's immediately get measurement and reporting of all water used in California, enforce current water rights laws and we may find we have an additional half-million acre feet somewhere.
- Continuing work on reducing other stressors to the system (invasives, pollutants, unscreened diversions, etc.), although we are not satisfied in the trajectory of progress on these issues.

Finally, let me thank you for your efforts to rebuild California water policy for the 21<sup>st</sup> century with an aim of actually implementing the conservation and infrastructure projects we need for water and environmental stability. The Bay Area Council is ready to help you in any way we can.